

**THE CITY OF ANNAPOLIS  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM FY 2007  
APPLICATION GUIDELINES**

The City of Annapolis is in its 22<sup>th</sup> year as a recipient of Community Development Block Grant (CDBG) funds. For the past several years these federal funds, approximately \$400,000 annually, have provided the City the opportunity to address the needs of Annapolis' low and moderate income citizens. The City has used CDBG funds to complete many public improvement projects, address housing needs, and provide support for various community service organizations.

Much of the success of the Annapolis community development program lies with citizen participation. The City's many caring citizens and community organizations help to identify programs and projects for CDBG funding. Then, once the City makes funding available, these same groups and individuals work to carry out the approved programs and projects. The City invites you to submit a project proposal for Fiscal Year 2007 funding. In Fiscal Year 2007, which begins July 1, 2006, the City expects to receive approximately \$390,000 in CDBG funds. Of this amount, 15% will be set aside for public service projects, 31% for capital projects, and 34% for housing rehabilitation. The remaining 20% will be set aside for general administration.

**NATIONAL OBJECTIVES**

The U.S. Department of Housing and Urban Development (HUD) administers CDBG funds. HUD regulations regarding the use of CDBG funds are very specific. First, the City must use CDBG funds to meet one of the following three national objectives.

**C      BENEFIT LOW AND MODERATE INCOME PERSONS.**

*These are persons whose household income is equal to or less than 80% of the area median family income, adjusted to family size, the handicapped, the homeless, the elderly or individuals with other special needs.*

**C      AID IN THE PREVENTION OR ELIMINATION OF SLUM OR BLIGHT**

*Fortunately, the City does not suffer from major slum or blight conditions. Spot blight is often addressed through housing rehabilitation.*

**C      MEET OTHER URGENT COMMUNITY DEVELOPMENT NEEDS**

*Use of CDBG funds under this criterion serves to alleviate conditions that pose a serious and immediate threat to community health and welfare. Secondly, neither City funds nor any other sources of funding are available to finance the remedies. An example of this would be a major catastrophe such as a hurricane or earthquake.*

Annapolis has used most of CDBG the funds for programs and projects meeting the first national objective--that of low and moderate income benefit.

## ELIGIBLE ACTIVITIES

HUD regulations also specify categories of activities that are eligible for CDBG funding. Generally, the two types of block grants include:

- C Public service, or
- C Capital Projects (e.g., construction, rehabilitation, acquisition, demolition, clearance, etc.)

The City has undertaken some of these activities directly itself. Many more are sponsored and carried out by community groups. Eligible community groups or organizations may apply for either a community service or a capital grant. Applicants are called subrecipients. **Subrecipients must be a registered nonprofit organization AND MUST provide supporting documentation that confirms this status.** Any capital project on property not held by the subrecipient must include written approval by the property owner.

Subrecipients requesting funds for community services must be either developing a new public service, or proposing a quantifiable increase in service for an existing program. HUD limits the amount that the City spends on community service projects to 15% of its annual allocation.

The following list shows the types of activities that may be eligible for CDBG funding:

Acquisition and/or rehabilitation of real property, which is:

- blighted or deteriorated
- appropriate for rehabilitation or conservation
- appropriate for historic preservation, urban beautification, open spaces and the provision of recreational opportunities
- needed for the provision of eligible public works, facilities and improvements
- appropriate for the development of housing
- needed for other public purposes

Acquisition, construction, reconstruction, rehabilitation, or installation of public improvements or facilities, such as:

- shelters for the homeless
- water and sewer facilities
- flood and drainage improvements
- community, senior and health centers
- parking, streets, curbs, gutters and sidewalks, parks, and playgrounds

Clearance, demolition, and removal of buildings and improvements, demolition products and environmental contaminants.

Provision of public services which are directed toward improving the community public services and facilities, including but not limited to those concerned with employment, fair housing and homeownership, homelessness, crime prevention, child care, health, drug abuse, education or recreational needs.

Removal of architectural barriers to accessibility.

Acquisition, construction and reconstruction of privately owned utilities necessary for neighborhood revitalization and to prepare sites for the construction of sale or rental housing.

Rehabilitation of public housing and improvements of other publicly owned residential buildings.

Rehabilitation of historic properties.

Homeownership assistance to income eligible home buyers.

Microenterprise assistance.

This is a very broad list of eligible activities. It is important to note that **all eligible projects must meet one of the three national objectives** described above.

## **SUBRECIPIENT OBLIGATIONS**

Once the City awards grant funds, certain obligations become the responsibility of the subrecipient. These are as follows:

1. Provide documentation regarding subrecipient's nonprofit status and its organizational structure.
2. Assign and identify a project manager.
3. Provide a detailed scope of the project along with an accurate itemized budget.
4. Enter into a subrecipient agreement with the City.
5. For capital projects, follow federal procurement and hiring procedures. The subrecipient must competitively bid the work and the contractor must pay the prevailing federal wage rates following the Davis-Bacon Wage Rate requirements.

## **COMMUNITY DEVELOPMENT OBJECTIVES**

As a recipient of CDBG funds, the City must prepare a Consolidated Plan every five years. The plan documents the goals, objectives and priorities that the City has established for its community development activities. The section that enumerates the goals and objectives of the City's Consolidated Plan is attached as an additional guide to help you prepare your application for FY 2007 funds. Copies of the complete Consolidated Plan are available at the Planning and Zoning Department.

## **SELECTION PROCESS AND CALENDAR**

The City Council approves all CDBG-funded projects. This is done so that they can integrate the CDBG budget with the City's overall budget. The City's Housing and Community Development Committee has oversight responsibility for the CDBG program and the use of CDBG funds. The selection process for FY 2007 is as follows:

### **October 2005**

- < CDBG staff sends out applications to nonprofit organizations and interested citizens for projects eligible for CDBG funding.
- < Housing and Community Development Committee holds a public hearing to inform the public of the availability of funds, obtain citizens views on housing and community development needs, and to review CDBG Program progress.

### **October - December 8, 2005**

- < City staff provides assistance to community groups and nonprofit organizations in developing proposals.

### **December 2005**

- < **Applications are due on Friday, December 9, 2005 at 12:00 noon.** Following submittal, CDBG staff reviews proposals to determine eligibility and prepares questions for the January public hearing.

### **January 2006**

- < The Housing and Community Development Committee holds a public hearing to hear presentations on the projects by the project sponsors.

### **February 2006**

- < The CDBG Staff makes funding recommendations to the Mayor and the Housing and Community Development Committee. The Housing and Community Development Committee selects the projects to recommend to the City Council for funding.

## **March - April 2006**

- < The Housing and Community Development Committee submits its recommendations to the City's Finance Committee for inclusion in the City's FY 2007 budget and Action Plan. The Action Plan is the City's application to HUD for the CDBG funds. The recommendations are reviewed and approved by the Mayor and City Council. CDBG staff publishes a notice in the local newspaper inviting the public to comment on the Action Plan.

## **May 2006**

- < Once the Council has approved the projects, the Staff submits the Action Plan to HUD May 2006.

## **June 2006**

- < CDBG staff begins the environmental review process for capital projects.

## **July - August 2006**

- < Once HUD approves the Action Plan HUD releases the funds through the environmental review process. The funds are now available for the selected projects.

## **HOUSING AND COMMUNITY DEVELOPMENT COMMITTEE MEMBERS**

### **Alderman Sheila Tolliver (Chair)**

Alderwoman Cynthia Carter

Alderman George Kelley

Theresa Bond

Rev. Johnny Calhoun

Rusty Porter

Trudy McFall (Housing Authority of the City of Annapolis)

## **SPECIAL NOTE**

The City of Annapolis does not discriminate against any person or organization because of race, color, religion, sex, national origin, disability, or familial status. The City meets the provisions of the American's with Disabilities Act, especially Title II, and with Section 504 of the Rehabilitation Act of 1973. All persons and organizations with projects or programs which meet the national objectives of the CDBG program will be considered for funding.

**CITY OF ANNAPOLIS  
CONSOLIDATED HOUSING AND COMMUNITY DEVELOPMENT PLAN  
FY 2006 - 2010  
SUMMARY OF GOALS, OBJECTIVES AND STRATEGIES**

**Affordable Housing Activities**

*Goal: Retain Affordable Housing Stock and Increase Availability of Affordable Permanent Housing*

Objectives:

- Provide assistance to low income homeowners for housing rehabilitation.
- Preserve and expand the supply of affordable housing through acquisition with rehabilitation and/or new construction.
- Provide opportunities for first-time homebuyers.
- Support housing counseling for first-time low and moderate-income homebuyers for homeownership and other housing issues.

**Homeless and Special Needs Activities**

*Goal: Help Homeless Persons and Persons at Risk of Becoming Homeless Obtain Affordable Housing*

Objectives:

- Continue financial support to homeless shelters.
- Continue financial support for prevention of homelessness

*Goal: Assist in the Provision of Housing Options for Persons with Special Needs*

Objectives:

- Assist supportive housing providers.

**Community Development Activities**

*Goal: Improve the Safety and Livability of Neighborhoods.*

Objectives:

- Support improvement or construction of recreational facilities in low and moderate-income neighborhoods.

*Goal: Provide Public Services Concerned with Employment, Empowerment and Self Sufficiency*

Objectives:

- Support vital public services addressing the needs of children, youth and families and other initiatives that promote family stability.
- Provide support for economic development and creation of decent jobs.
- Provide support and technical assistance for neighborhood revitalization and overall planning and administration of community development activities.

## **CDBG GRANT APPLICATION INFORMATION AND INSTRUCTIONS**

**Any organization applying to the CDBG program for the first time or an organization that has not received CDBG funding since FY 2001 MUST meet with the Chief of Community Development prior to submitting an application.**

### **Format**

Use the Checklist to ensure you are submitting a complete package. Incomplete packages will not be approved.

**Submit application on 8-1/2" x 11" paper. To facilitate photocopying, please do not have the applications bound in any way. That is, please do not utilize binders, professional spirals or binding, etc.**

Please submit eight (8) copies -- one (1) original with original signatures and seven (7) copies of the complete package of documents. Faxes will not be accepted.

### **Application Submission**

All items on the Grant Application Checklist must be submitted at time of application. Only eligible projects that have complete applications submitted no later than noon, Friday, December 9, 2005 will be considered.

### **Mail Complete Applications to:**

City of Annapolis  
Department of Planning and Zoning  
160 Duke of Gloucester Street  
Annapolis, MD 21401  
Attention: Chief of Community Development

### **FOR MORE INFORMATION**

The Community Development staff is available to help you with technical advice and to answer any questions you might have. Feel free to call Theresa Wellman, Chief of Community Development, at 263-7961 for further information or assistance. The CDBG Application and Guidelines are available on the City's web site at [http://www.annapolis.gov/citizens/depts/pl\\_zon/CDBG.html](http://www.annapolis.gov/citizens/depts/pl_zon/CDBG.html). Ms. Wellman's E-mail address is [tcw@annapolis.gov](mailto:tcw@annapolis.gov).

**CITY OF ANNAPOLIS, MARYLAND**  
**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM**  
**PROJECT REQUEST FOR FISCAL YEAR 2007 FUNDS**

**Deadline: December 9, 2005, Friday at 12:00 p.m.**

Organization Name \_\_\_\_\_

Address \_\_\_\_\_

Telephone Number \_\_\_\_\_ Fax \_\_\_\_\_ E-mail \_\_\_\_\_

Contact  
Person \_\_\_\_\_ Title \_\_\_\_\_

Address \_\_\_\_\_

Telephone \_\_\_\_\_ Fax \_\_\_\_\_ E-Mail \_\_\_\_\_

Chief Executive  
Officer \_\_\_\_\_ Title \_\_\_\_\_

Chief Executive Officer's  
Signature \_\_\_\_\_

Federal ID # \_\_\_\_\_ 501(c) 3 Registration Date \_\_\_\_\_

Project Title: \_\_\_\_\_ CDBG Amount Requested \$ \_\_\_\_\_

Project Location: \_\_\_\_\_

Please attach additional pages as needed.

1) In addition, please provide the following information:

- (a) *List of the names of your Board of Directors, with addresses and phone numbers;*
- (b) *Name, address, and phone number of your accountant and/or attorney;*
- (c) *Copy of your latest financial statement and current operating budget; and*
- (d) *Documentation that the sponsoring agency is a certified nonprofit 501 (c)(3) agency.*
- (e) *Certificate of Good Standing from the MD Department of Taxation*
- (f) *Articles of Incorporation **(New applicants only)***
- (g) *By Laws **(New applicants only)***



- 2) Project Location (street boundaries, property address, please attach a map, if appropriate). All project requests must be located in the City and benefit primarily Annapolis citizens. If the project is not located in the City, please provide documentation that shows the project serves primarily Annapolis residents.

- 3) Project Description and Purpose. Specifically describe the purpose of the project, project activities and the desired results. If the project involves construction or rehabilitation, please attach any available plans, designs, specifications, and cost estimates.

- 4) Estimated Total Project Costs. Please complete attached project budget showing costs or expenses and all sources of funds.

- 5) If this is a capital project, please provide documentation of zoning compliance, site control, balance of financing in place, no potential environmental impact or outstanding legal issues.

- 6) Describe who will benefit because of the project and specifically how you will document that the beneficiaries are low and moderate income persons or households (please see the following Income Limits for persons participating in the CDBG Program).

HUD LOW AND MODERATE INCOME GUIDELINES EFFECTIVE FEBRUARY 2005	
Family size	Maximum Income
1 Person	\$40,450
2 Person	\$46,200
3 Person	\$52,000
4 Person	\$57,750
5 Person	\$62,400
6 Person	\$67,000
7 Person	\$71,600
8 Person	\$76,250

Please provide the following information on benefit to low and moderate income (LMI) persons:

Total estimated number of beneficiaries\_\_\_\_\_

Total estimated number of LMI persons\_\_\_\_\_

% of LMI beneficiaries to total\_\_\_\_\_%

CDBG \$ per LMI beneficiary \$\_\_\_\_\_

- 7) If this is a request for operating funds for a program, show how your organization will coordinate the proposed program with existing services.
- 8) Please discuss how this project meets each of the following 11 Selection Factors:
- The project must meet one of the three National Objectives listed on page 1 of the Guidelines.
  - The project must be an eligible activity as listed on page 2 of the Guidelines.
  - The project will help meet the needs defined in the Consolidated Plan as listed on page 6 of the Guidelines.
  - The proposed activity will provide maximum public benefits in relation to cost.
  - The project is ready to go.
  - The project has community support.
  - The project is an innovative solution to a neighborhood problem.
  - The project promotes private investment and contribution for cost sharing or leveraging CDBG funds where possible.
  - The sponsor has sought other funding sources for the project, if appropriate.
  - If the project is a public service the extent to which, the service can become self- sufficient.
  - If the proposal is a capital project, project cost estimates are accurate and reflect Davis-Bacon wage rates, if applicable.
  - The sponsor has the administrative capacity to successfully carry out the project, e.g., has previous experience with similar projects.
  - Public service activities constitute a new or substantial increase in an existing service already assisted.

**CITY OF ANNAPOLIS  
PROJECT BUDGET FOR CAPITAL PROJECTS**

ORGANIZATION: \_\_\_\_\_

<b>Activity</b>	<b>CDBG Funds</b>	<b>Other Funds &amp; Source</b>	<b>Total</b>
Acquisition			
Engineering			
Design			
Site preparation			
Rehabilitation			
Construction			
Streets			
Sidewalks			
Storm Drains			
Homeownership Assistance			
Other			
<b>TOTALS</b>			

**CITY OF ANNAPOLIS  
PROJECT BUDGET FOR PUBLIC SERVICE PROJECTS**

**ORGANIZATION** \_\_\_\_\_

	<b>CDBG</b>	<b>Other Funds &amp; Source</b>	<b>Total</b>
Salaries			
Fringe Benefits			
Travel			
Mileage			
Conference			
Contractual Services			
Professional Services			
Service Contracts			
Rent and Utilities			
Facilities Rental			
Telephone			
Gas & Electric			
Postage			
Equipment Rental			
(copies, etc.)			
Supplies & Materials			
Office Supplies			
Reproduction & Printing			
Other (Specify)			
<b>TOTAL</b>			

**CHECK LIST**

✓ Recent Certificate of Good Standing from the Maryland Department of

Assessments and Taxation (Call 410-767-1340 to obtain a certificate)

- ' List of the names of your Board of Directors, with addresses and phone numbers
- ' Name, address, and phone number of your accountant and/or attorney;
- ' Copy of your latest financial statement and current operating budget
- ' IRS tax-exempt determination letter
- ' Signature of Chief Executive Officer
- ' If this is a rehabilitation or reconstruction project, provide evidence of site control
- ' If capital project, provide evidence of zoning compliance
- ' Copy of your Articles of Incorporation and Bylaws (**New Applicants only**)